

## NSW INSURANCE DUTY - SMALL BUSINESS EXEMPTION DECLARATION

As announced in the 2017-18 NSW State Budget, small businesses will be exempt from NSW stamp duty on certain types of insurance policies effected, renewed or amended on or after 1 January 2018.

### TYPES OF EXEMPT INSURANCES

- Commercial Motor Vehicle insurance for vehicles used primarily for business purposes
- Commercial Aviation insurance for aircraft used primarily for business purposes
- Occupational Indemnity insurance (including Professional Indemnity) - covering liability arising out of the provision by a person of professional services or other services (other than medical indemnity cover within the meaning of the Medical Indemnity Act 2002 of the Commonwealth)
- Public/Product Liability insurance - covering liability for personal injury or property damage occurring in connection with a business or arising out of the products or services of a business

### WHAT IS A SMALL BUSINESS FOR THE PURPOSE OF THE EXEMPTION?

A 'small business' is an entity within the meaning of section 152-10 (1AA) of the Income Tax Assessment Act 1997 of the Commonwealth for the current financial year in which the insurance is effected or renewed. At present, you are a small business entity if you are an individual, partnership, company or trust that:

- is carrying on a business, and
- has an **aggregated turnover of less than \$2 million** which is your total annual turnover plus the annual turnover of any businesses that are your affiliates or are connected with you.

### IMPORTANT NOTE

- If you are uncertain whether you meet the criteria noted above for a small business, please consult your accountant or financial adviser
- False declarations may result in penalties from Revenue NSW of up to \$11,000 plus the insurance duty not paid and penalty interest
- Revenue NSW may also be able to answer your queries in relation to the law and your obligations.

### I declare for and on behalf of the Insured:

I am a small business entity (within the meaning of section 152-10 (1AA) of the Income Tax Assessment Act 1997 of the Commonwealth.

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Name of Insured

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ABN of Insured (If applicable)

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Signature

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Print Name

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Job Title

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Date